

Message Text

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ACTION EB-11

INFO OCT-01 EUR-25 ISO-00 SCI-06 SCEM-02 INT-08 TRSE-00

CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03 NSAE-00 NSC-10

PA-04 RSC-01 PRS-01 SPC-03 SS-20 USIA-15 OMB-01

COME-00 DRC-01 /132 W

----- 107774

R 280800Z DEC 73

FM AMEMBASSY DUBLIN

TO SECSTATE WASHDC 5257

INFO USMISSION EC BRUSSELS

USMISSION OECD PARIS

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY LONDON

AMEMBASSY COPENHAGEN

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EO 11652: N/A

TAGS: ENRG; EI

SUBJ: IRISH REACTION TO OIL SUPPLY DEVELOPMENTS

REF: DUBLIN 1691

1. IRISH MEDIA REACTION CHANGED SWIFTLY OVER WEEKEND FROM
CONSTERNATION AT OIL PRODUCERS PRICE INCREASE TO RELIEF AT
OPEC DECISION TO INCREASE OIL SUPPLIES BY 10 PERCENT BEGINNING
JANUARY 1. CONFEDERATION OF IRISH INDUSTRY SPOKESMAN EXPRESSED
HOPE THAT FULL PETROLEUM SUPPLIES MIGHT BE AVAILABLE BY LATE
FEBRUARY BUT ESTIMATED THAT PRICE RISES COULD ADD ONE HUNDRED
MILLION POUNDS (\$231.2 MILLION) TO IRISH IMPORT BILL AND

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GREATLY INCREASE INDUSTRY COSTS.

2. MAJOR OIL DISTRIBUTORS ANNOUNCED GASOLINE PRICE INCREASES EFFECTIVE DECEMBER 27 UP TO 4 PENCE (NEARLY 10 US CENTS PER GALLON), BRINGING RETAIL PRICE TO AROUND \$1.00 PER GALLON. PRICE SPREAD BETWEEN REGULAR AND SUPER GRADES BEING BROUGHT CLOSER TOGETHER. GOI SPOKESMAN EMPHASIZED RATIONING OF GASOLINE AND OTHER ENERGY SUPPLIES WOULD BE UNNECESSARY IF PEOPLE EXERCISED SELF-DISCIPLINE; RETAILERS HAVE CALLED FOR MINIMUM SALE REQUIREMENTS AND ESTIMATE THAT PRICE RISES WILL EFFECT DEFACTO RATIONING. MINISTER FOR INDUSTRY AND COMMERCE BARRY REPORTEDLY STATED PRICE OF GASOLINE MAY RISE AS HIGH AS 50 PENCE PER GALLON (\$1.15). GOI HAS FORMED ENERGY COMMITTEE UNDER CHAIRMANSHIP PADRAIG O'SLATTARA, SECRETARY DEPARTMENT OF INDUSTRY AND COMMERCE, AND INCLUDING REPRESENTATION OF GOVERNMENT AND INDUSTRY TO ANALYSE PRICE/SUPPLY SITUATION. GOI INTRODUCED MAXIMUM 50 MILE PER HOUR SPEED LIMIT EFFECTIVE DECEMBER 24.

3. COMMENT: ECON/COMMOFF QUERIED CONFEDERATION OF IRISH INDUSTRY DIRECTOR GENERAL CONNELLAN ON ESTIMATE THAT IMPORT BILL WOULD INCREASE BY 100 MILLION POUND STERLING AS RESULT RECENT PRICE INCREASES. CONNELLAN SAID ESTIMATE TOOK INTO ACCOUNT TOTAL INCREASE IN PRICES SINCE BEGINNING MIDDLE EAST CRISIS IN OCTOBER. EMBASSY BELIEVES ESTIMATE MAY WELL BE TOO LOW IF ANNUAL IMPORTS OF BOTH CRUDE AND REFINED PETROLEUM (3 MILLION AND 2 MILLION TONS RESPECTIVELY) ARE TAKEN INTO ACCOUNT; CONNELLAN INDICATED ESTIMATE WAS ROUGH AND CII WOULD UNDERTAKE MORE PRECISE STUDY. EMBASSY ESTIMATES PRICE INCREASE FROM \$3.65 (STATE 249382) TO \$11.60 PER BARREL OF CRUDE OIL WILL INCREASE IRISH IMPORT COSTS BY AT LEAST \$320 MILLION (NEARLY 140 MILLION POUNDS) ON TOP OF AN EXPECTED 1974 DEFICIT ON CURRENT ACCOUNT OF NEARLY 100 MILLION POUNDS.

4. EMBASSY HAS INFORMED FONOFF WE WILL NOT RPT NOT DELIVER NOTE AS PLANNED (DUBLIN 1691) IN VIEW RAPID EVOLUTION OIL PRICE SITUATION.
MOORE

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PETROLEUM, SUPPLIES, GASOLINE, RATIONING
Control Number: n/a
Copy: SINGLE
Draft Date: 28 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: cunninfx
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973DUBLIN01694
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: DUBLIN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t1973123/aaaaacfe.tel
Line Count: 97
Locator: TEXT ON-LINE
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: DUBLIN 1691
Review Action: RELEASED, APPROVED
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Review Comment: n/a
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Review Date: 13 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <13-Sep-2001 by rowellE0>; APPROVED <01-Oct-2001 by cunninfx>
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30 JUN 2005

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